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LICENSE AGREEMENT  
BETWEEN TRINITY BROADCASTING NETWORK, INC. AND  
SET FREE CHRISTIAN FELLOWSHIP, INC.  
FOR PREMISES COMMONLY KNOWN AS THE HOUSE OF TIMOTHY  
IN ANAHEIM CALIFORNIA

This License Agreement is entered as of August 9, 1988 between Set Free Christian Fellowship, Inc. ("Licensee") and Trinity Christian Center of Santa Ana, Inc. formerly known as Trinity Broadcasting Network, Inc. ("Licensor").

RECITALS

1. Licensor and Licensee are parties to a License Agreement dated August 9, 1985, hereinafter "the Original License Agreement," which is attached hereto as Exhibit "A."

2. The Original License Agreement concerns certain improved real property commonly known as the House of Paul and generally referred to as 511 North Anaheim Boulevard, hereinafter referred to as the "Original Premises."

3. In July 1987 the Original License Agreement was modified pursuant to the terms of a Renewal Of License Agreement, a copy of which is referred to herein as Exhibit "B."

4. The parties now desire to enter a License Agreement for the use and occupancy of improved real property commonly known as and hereinafter referred to as The House of Timothy and generally referred to pursuant to its address at 507 North Anaheim Blvd. Anaheim, California.

NOW THEREFORE, the parties agree as follows:

All of the terms and conditions of the Original License

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Federal Communications Commission

Docket No. 93-75 Exhibit No. 29

Presented by MMB

Disposition

Received

Rejected

DEC 03 1993

DEC 03 1993

Reporter A. Walker

Date DEC 03 1993

Agreement and the Renewal of License Agreement, with the exception of paragraph 1 of the Renewal of License Agreement shall apply to the use and occupancy of the House of Timothy by Licensee. Licensor and Licensee shall bear all of the rights duties and obligations to one another with respect to the House of Timothy that they bear to one another with respect to the House of Paul.

"LICENSEE"

SET FREE CHRISTIAN FELLOWSHIP, INC.

BY

TITLE

"LICENSOR"

TRINITY CHRISTIAN CENTER OF  
ANA, INC.

BY

TITLE

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SPECIAL MEETING  
OF  
TRINITY CHRISTIAN CENTER OF SANTA ANA, INC.

A special meeting of Trinity Christian Center of Santa Ana, Inc. was held on August 11, 1988.

Those present were Paul Crouch, Norm Juggert, Matthew Crouch, Charlene Williams, Jane Duff, Phillip Crouch, and Terry Hickey.

The President reported that Matthew Crouch's home was recently burglarized in a manner that indicated that the buglar was interested in photographs and other personal items relating to the Crouch family. The Board discussed other incidents raising concern for the Crouch family as a result of their affiliation with the corporation.

It was therefore moved, seconded and passed that a removable security system be installed in the residence of the President, the corporate guest house and the residence of Matthew Crouch at an expense that shall not exceed \$10,000.00. The aforesaid systems shall at all times remain the property of the corporation.

It was moved, seconded and passed that Charlene Williams be elected to the office of Assistant Secretary and that she be designated one of the signatories on corporate bank accounts.

The board considered proposed wage increases for staff in accounting and data processing. The raises included cost of living, as well as merit increases. Some increases involve individuals who had assumed more responsible positions at the pay of a less responsible position. Mr. Hickey emphasized the importance of stabilizing the accounting department where a special expertise is required, as well as a training period.

It was moved, seconded and passed that the pay increases proposed by Mr. Hickey be approved as of September 1, 1988. The individuals so approved are as follows:

<u>Name</u>	<u>Increased Weekly Salary</u>
Mary Carp	\$260
Virginia Sahagen	\$260
Pat St. John Clerke	\$280
Holly Schuesster	\$280
Sheri Duff	\$300
Lisa Nadony	\$320
Duphne Sizemore	\$370
Robbie Mickley	\$370
Carol Reisner	\$340

Federal Communications Commission

Docket No. 9375 Exhibit No. 210

Presented by MMB DEC 03 1993

Disposition Received DEC 03 1993

Rejected 12-9-1993

Reporter [Signature]

Date DEC 03 1993

David Summers	\$500
Bruce Ward	\$360
Brad Bauer	\$340
Sussanna Bosrock	\$400
Betty McDowell	\$400
Charlene Williams	\$800

The board then considered a draft copy of the 1987 audited financial statement. The draft was reviewed and discussed. Approval was reserved for the final draft.

The meeting then adjourned.

Dated: August 15, 1988

  
NORMAN G. JUGGERT, Secretary



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TRINITY BROADCASTING NETWORK, INC., (TBN)

AND SUBSIDIARY AND AFFILIATES

AUDIT REPORT

DECEMBER 31, 1987

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HUFFMAN & CO.

Federal Communications Commission

Docket No. 93-75 Exhibit No. 211

Presented by *mkp*

DEC 03 1993  
DEC 03 1993

Disposition

Reporter *G. W. Wilson*  
Date DEC 03 1993

TRINITY BROADCASTING NETWORK, INC.

AND SUBSIDIARY AND AFFILIATES

DECEMBER 31, 1987

BOARD OF DIRECTORS

TRINITY BROADCASTING NETWORK, INC.  
(PARENT COMPANY)

MEMBERS

TITLE

Paul F. Crouch

President and Director

Janice W. Crouch

Vice President and Director

Norman G. Juggert

Secretary/Treasurer and Director

Phillip A. Crouch

Assistant Secretary

Terrence M. Hickey

Assistant Secretary

TRINITY BROADCASTING NETWORK, INC. (TBN)  
AND SUBSIDIARY AND AFFILIATES  
DECEMBER 31, 1987

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TB Arizona, Phoenix                      TB Florida, Inc. Trinity Towers, Inc.                      TB New York, Inc.	11
TB Arizona, Albuerque                      TB Oklahoma, Inc. TB Washington, Inc.                      TB Denver, Inc.	12

TRINITY BROADCASTING NETWORK, INC. (TBN)  
AND SUBSIDIARY AND AFFILIATES  
DECEMBER 31, 1987  
(continued)

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# Huffman & Co.

Certified Public Accountants

ROD E. HUFFMAN  
6th Street  
San Diego, California 92108  
(714) 735 9930

Account	Corporation
5353 Mission	Center Road
	Suite 115
San Diego, C	ornia 92108
	(714) 294-8625

The Board of Directors  
Trinity Broadcasting Network, Inc.  
Tustin, California

We have examined the financial statements of Trinity Broadcasting Network, Inc., and its Subsidiary and Affiliates for the years ended December 31, 1987 and 1986, listed in the table of contents. Our examination was made in accordance with generally accepted auditing standards and accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As part of our examination of the financial statements of Trinity Broadcasting Network, Inc. and its Subsidiary and Affiliates for the years ended December 31, 1987 and 1986, we made a study of the corporation's systems as required by generally accepted auditing standards. Our study included all of the control categories listed below and there was no major financial internal control category we did not evaluate.

## Accounting Applications

### Revenue

- a) Contributions - Reserved
- b) Contributions - Unreserved
- c) Cash Receipts

### Cash Disbursements/Purchasing

- Reserved
- Unreserved

The audit report on Community Educational Television, Inc. (CET) has been covered by a separate report and is not included in this report. In our opinion, the accompanying financial statements present fairly the financial position of Trinity Broadcasting Network, Inc. and its Subsidiary and Affiliates at December 31, 1987 and 1986 and the results of their operations and changes in their financial position for the years then ended in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The accompanying supplemental information presented is not necessary for a fair presentation of financial statements, but is presented as additional supplementary data. This information has been subjected to the tests and other auditing procedures applied on the examination of the financial statements mentioned above and in our opinion is fairly stated in all material respects in relation to the financial statements taken as a whole.

8-15-88

Huffman & Co.

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TRINITY BROADCASTING NETWORK, INC. (TBN)  
AND SUBSIDIARY AND AFFILIATES  
COMBINED TRINITY BROADCASTING NETWORK  
DECEMBER 31, 1987 and 1986

	<u>1987</u>	<u>1986</u>
<b><u>ASSETS</u></b>		
<b><u>Current Assets</u></b>		
Cash in Bank and on Hand	\$ 385,568	\$ 548,113
Time Certificates & Short-Term Investments	<u>12,738,176</u>	<u>4,857,527</u>
Total Cash & Short-Term Investments	13,123,744	5,405,640
Accounts Receivable Less Allowance for Doubtful Accounts	1,999,738	1,235,101
Prepaid Expenses & Security Deposits	<u>172,198</u>	<u>127,659</u>
Total Current Assets	15,295,680	6,768,400
<u>Notes Receivable &amp; Investments (Note #6)</u>	10,040,204	7,629,653
<u>Amount Due from Affiliate - CET</u>	6,146,555	3,893,564
<b><u>Property and Equipment - Less</u></b>		
Accumulated Depreciation (Note #4)	41,229,572	39,523,929
<b><u>Broadcasting Licenses - Less</u></b>		
Accumulated Amortization (Note #5)	16,455,403	16,929,454
<b><u>Satellite Broadcasting Right - Less</u></b>		
Accumulated Amortization (Note #11)	<u>792,832</u>	<u>1,112,836</u>
Total Assets	\$ <u>89,960,246</u>	\$ <u>75,857,836</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
<b><u>Current Liabilities</u></b>		
Accounts Payable and Accrued Expenses	1,115,253	1,145,455
Interest Payable	50,515	58,515
Deferred Income (Note #2)	278,000	347,627
Notes Payable-Current Portion	<u>1,706,854</u>	<u>1,988,022</u>
Total Current Liabilities	3,150,622	3,539,619
Trust Accounts Payable (Note #8)	580,782	469,309
Notes Payable-Less Current Portion (Note #7)	<u>2,094,436</u>	<u>2,503,854</u>
Total Liabilities	<u>5,825,840</u>	<u>6,512,782</u>
<b><u>FUND BALANCE</u></b>		
Reserved	1,997,948	2,127,859
Unreserved	<u>82,136,458</u>	<u>67,217,195</u>
Total Fund Balance	<u>84,134,406</u>	<u>69,345,054</u>
Total Liabilities & Fund Balance	\$ <u>89,960,246</u>	\$ <u>75,857,836</u>

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"See accompanying notes to financial statements."

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TRINITY BROADCASTING NETWORK, INC. (TBN)  
AND SUBSIDIARY AND AFFILIATES  
COMBINED TRINITY BROADCASTING NETWORK  
COMPARATIVE STATEMENT OF SUPPORT REVENUE AND EXPENSES AND CHANGES IN FUND BALANCE  
FOR THE YEARS ENDED DECEMBER 31, 1987 and 1986

	<u>1987</u>	<u>1986</u>
<b><u>PUBLIC SUPPORT AND REVENUE</u></b>		
Contributions - Reserved & Unreserved (Note #3)	\$ 31,773,823	\$ 32,815,849
Telecasting & Production-Cost Sharing	7,107,623	4,295,627
Donated Asset Estate	1,533,869	439,673
Interest Income	842,318	576,226
Miscellaneous Income	1,425,867	862,553
Total Public Support & Revenue	<u>42,683,500</u>	<u>38,989,928</u>
<b><u>EXPENSES</u></b>		
<b><u>Program Services</u></b>		
Broadcasting & Programming	13,872,424	9,138,331
<b><u>Support Services</u></b>	13,030,868	13,468,036
<b><u>Designated Projects (Restricted)</u></b>	990,856	935,758
Total Expenses	<u>27,894,148</u>	<u>23,542,125</u>
Excess of Public Support and Revenue Over (Under) Expenses	14,789,352	15,447,803
<b><u>FUND BALANCE, January 1, 1987</u></b>	<u>69,345,054</u>	<u>53,897,251</u>
<b><u>FUND BALANCE, December 31, 1987</u></b>	<u>\$ 84,134,406</u>	<u>\$ 69,345,054</u>

"See accompanying notes to financial statements."

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TRINITY BROADCASTING NETWORK, INC.  
AND SUBSIDIARY AND AFFILIATES  
COMBINED TRINITY BROADCASTING NETWORK  
COMPARATIVE STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEARS ENDED DECEMBER 31, 1987 and 1986

	<u>1987</u>	<u>1986</u>
<u>WORKING CAPITAL (FUND) PROVIDED FROM</u>		
Excess of Public Support and Revenue Over Expenses	\$14,789,352	\$ 15,447,803
Add Expenses not Affecting Working Capital:		
Depreciation and Amortization	3,005,153	3,597,413
Decrease in Notes Receivable & Investments	-	1,047,506
Increase in Long-Term Notes Payable	-	74,535
Increase in Trust Accounts Payable	111,473	-
Total Working Capital Provided	<u>17,905,978</u>	<u>20,167,257</u>
<u>WORKING CAPITAL (FUNDS) USED FOR</u>		
Increase in Notes Receivable & Investments	2,410,551	-
Increase in Amount Due from CET	2,252,991	2,317,496
Acquisition of Broadcasting License	-	6,715,445
Acquisition of Property and Equipment	3,916,741	13,562,253
Reduction of Trust Accounts Payable	-	75,120
Reduction of Long-Term Notes Payable	409,418	-
Total Working Capital Used	<u>8,989,701</u>	<u>22,670,314</u>
<u>INCREASE (DECREASE) IN WORKING CAPITAL</u>	<u>\$ 8,916,277</u>	<u>\$ (2,503,057)</u>

\* \* \* \* \*

CHANGES IN WORKING CAPITAL

Increase (Decrease) in Current Assets

Total Cash and Short Term Investments	\$ 7,718,104	\$ (1,955,685)
Accounts Receivable and Other	809,176	308,681
Total Current Asset Changes	<u>8,527,280</u>	<u>(1,647,004)</u>

Increase (Decrease) in Current Liabilities

Accounts Payable & Accrued Expenses	(30,202)	296,978
Other Accrued Liabilities	(358,795)	559,075
Total Current Liability Changes	<u>(388,997)</u>	<u>856,053</u>
Increase (Decrease) in Working Capital	<u>\$ 8,916,277</u>	<u>\$ (2,503,057)</u>

TRINITY BROADCASTING NETWORK, INC. (TBN)  
AND SUBSIDIARY AND AFFILIATES  
COMBINED BALANCE SHEET  
DECEMBER 31, 1987

	<u>TRINITY BROADCASTING NETWORK, INC</u>	<u>TB GREENSBORO N.C.</u>	<u>TB CANTON OH</u>	<u>NATIONAL MINORITY TV</u>
<u>Assets</u>				
<u>Current Assets</u>				
Cash in Bank and on Hand	\$ 281,739			\$ 1,972
Time Certificates & Treasury T Bills	<u>6,145,569</u>			<u>100,000</u>
Total Cash on Hand & In Banks	6,427,308			101,972
Accounts Receivable Less Allowance for Doubtful Accounts	622,834	\$ 49,286	\$ 80,074	1,336
Prepaid Expenses & Security Deposits	<u>158,158</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Current Assets	7,208,300	49,286	80,074	103,308
<u>Notes Receivable &amp; Investments (Note #5)</u>	9,918,875	-	-	22,000
<u>Amount Due from Affiliates</u>	30,557,550	-	-	-
<u>Property and Equipment - Less</u>				
Accumulated Depreciation (Note #3)	16,452,069	763,620	1,998,892	156,560
<u>Broadcasting Licenses - Less</u>				
Accumulated Amortization (Note 4)	516,782	866,908	2,326,893	-
<u>Satellite Broadcasting Right - Less</u>				
Accumulated Amortization (Note #7)	<u>792,832</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$65,446,408</u>	<u>\$1,679,814</u>	<u>\$4,405,859</u>	<u>\$281,868</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>Current Liabilities</u>				
Accounts Payable & Accrued Expenses	735,712	7,535	16,095	-
Interest Payable	37,195	-	-	-
Deferred Income	-	-	-	-
Notes Payable - Current Portion	<u>156,612</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Current Liabilities	929,519	7,535	16,095	-
Trust Accounts Payable	580,782	-	-	-
Notes Payable - Less Current Portion	214,985	-	4,278	-
Amounts due to Affiliates	<u>15,053,420</u>	<u>1,625,041</u>	<u>4,157,080</u>	<u>762,442</u>
Total Liabilities	<u>16,778,706</u>	<u>1,632,576</u>	<u>4,177,453</u>	<u>762,442</u>
<u>FUND BALANCE</u>				
Reserved	978,159	369	238	-
Unreserved	<u>47,689,543</u>	<u>46,869</u>	<u>228,168</u>	<u>(480,574)</u>
Total Fund Balance	<u>48,667,702</u>	<u>47,238</u>	<u>228,406</u>	<u>(480,574)</u>
Total Liabilities & Fund Balance	<u>\$65,446,408</u>	<u>\$1,679,814</u>	<u>\$4,405,859</u>	<u>\$281,868</u>

See accompanying notes to financial statements."

**TRINITY BROADCASTING NETWORK, INC. (TBN)**  
**AND SUBSIDIARY AND AFFILIATES**  
**COMBINED BALANCE SHEET**  
**DECEMBER 31, 1997**

	TE OF ARIZONA PHOENIX	TE OF FLORIDA INC	TRINITY TOWERS INC	TE OF NEW YORK INC
<b><u>Assets</u></b>				
<b><u>Current Assets</u></b>				
Cash in Bank and on Hand	\$ 1,415	\$ 1,830	\$ 89,458	\$ 1,367
Time Certificates & Treasury T Bills	<u>1,395,607</u>	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Total Cash on Hand & In Banks	1,397,022	301,830	89,458	301,367
Accounts Receivable Less Allowance for Doubtful Accounts	<u>178,068</u>	<u>205,231</u>	<u>-</u>	<u>195,538</u>
Prepaid Expenses & Security Deposits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Current Assets	1,575,090	507,061	89,458	496,905
<b><u>Notes Receivable &amp; Investments (Note #5)</u></b>	-	-	-	-
<b><u>Amount Due from Affiliates</u></b>	11,774,721	10,692	175,000	5,262
<b><u>Property and Equipment - Less</u></b>				
Accumulated Depreciation (Note #3)	861,391	3,503,415	1,767,465	2,090,811
<b><u>Broadcasting Licenses - Less</u></b>				
Accumulated Amortization (Note 4)	1,032,982	5,375,031	-	2,069,031
<b><u>Satellite Broadcasting Right - Less</u></b>				
Accumulated Amortization (Note #7)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$15,244,184</u>	<u>\$9,396,199</u>	<u>\$2,031,923</u>	<u>\$4,662,009</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>				
<b><u>Current Liabilities</u></b>				
Accounts Payable & Accrued Expenses	32,838	57,635	6,280	65,379
Interest Payable	13,320	-	-	-
Deferred Income	-	-	-	-
Notes Payable - Current Portion	<u>148,005</u>	<u>-</u>	<u>1,138,717</u>	<u>-</u>
Total Current Liabilities	194,163	57,635	1,144,997	65,379
Trust Accounts Payable	-	-	-	-
Notes Payable-Less Current Portion	592,021	-	-	-
Amounts due to Affiliates	<u>15,612</u>	<u>7,542,099</u>	<u>499,121</u>	<u>6,413,723</u>
Total Liabilities	<u>801,796</u>	<u>7,599,734</u>	<u>1,644,118</u>	<u>6,479,102</u>
<b><u>FUND BALANCE</u></b>				
Reserved	526,186	214,706	-	(4,216)
Unreserved	<u>13,916,202</u>	<u>1,551,759</u>	<u>357,805</u>	<u>(1,812,877)</u>
Total Fund Balance	14,442,388	1,796,465	357,805	(1,817,093)
Total Liabilities & Fund Balance	<u>\$ 15,244,184</u>	<u>\$9,396,199</u>	<u>\$2,031,923</u>	<u>\$4,662,009</u>

"See accompanying notes to financial statements."

**TRINITY BROADCASTING NETWORK, INC. (TEN)**  
**AND SUBSIDIARY AND AFFILIATES**  
**COMBINED BALANCE SHEET**  
**DECEMBER 31, 1987**

	<u>TB OF ARIZONA ALBUQUERQUE</u>	<u>TB OF OKLAHOMA INC</u>	<u>TB OF WASHINGTON INC</u>	<u>TB OF DENVER INC</u>
<b><u>Assets</u></b>				
<b><u>Current Assets</u></b>				
Cash in Bank and on Hand	\$ 274	\$ 2,635	\$ 2,117	624
Time Certificates & Treasury T Bills	-	<u>1,299,000</u>	<u>500,000</u>	<u>1,099,000</u>
Total Cash on Hand & In Banks	274	1,301,635	502,117	1,099,624
Accounts Receivable Less Allowance for Doubtful Accounts	41,884	149,259	168,903	75,659
Prepaid Expenses & Security Deposits	-	-	-	-
Total Current Assets	42,158	1,450,894	671,020	1,175,283
<b><u>Notes Receivable &amp; Investments (Note #5)</u></b>	-	-	-	99,329
<b><u>Amount Due from Affiliates</u></b>	78,489	2,377,358	788,720	1,755,794
<b><u>Property and Equipment - Less</u></b>				
Accumulated Depreciation (Note #3)	1,786,946	1,251,531	2,304,493	1,455,254
<b><u>Broadcasting Licenses - Less</u></b>				
Accumulated Amortization (Note 4)	-	-	913,031	-
<b><u>Satellite Broadcasting Right - Less</u></b>				
Accumulated Amortization (Note #7)	-	-	-	-
Total Assets	<u>\$1,907,593</u>	<u>\$5,079,783</u>	<u>\$4,677,264</u>	<u>\$4,485,660</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>				
<b><u>Current Liabilities</u></b>				
Accounts Payable & Accrued Expenses	49,115	19,319	31,987	8,393
Interest Payable	-	-	-	-
Deferred Income	-	-	-	278,000
Notes Payable - Current Portion	-	-	-	-
Total Current Liabilities	49,115	19,319	31,987	286,393
Trust Accounts Payable	-	-	-	-
Notes Payable-Less Current Portion	-	-	-	-
Amounts due to Affiliates	<u>1,989,959</u>	<u>105</u>	<u>9,037</u>	<u>1,385</u>
Total Liabilities	<u>*2,039,074</u>	<u>19,424</u>	<u>41,024</u>	<u>287,778</u>
<b><u>FUND BALANCE</u></b>				
Reserved	1,103	131,135	30,569	5,240
Unreserved	<u>(132,584)</u>	<u>4,929,224</u>	<u>4,605,671</u>	<u>4,192,642</u>
Total Fund Balance	<u>(121,481)</u>	<u>5,060,359</u>	<u>4,636,240</u>	<u>4,197,882</u>
Total Liabilities & Fund Balance	<u>\$1,907,593</u>	<u>\$5,079,783</u>	<u>\$4,677,264</u>	<u>\$4,485,660</u>

**TRINITY BROADCASTING NETWORK, INC. (TBN)**  
**AND SUBSIDIARY AND AFFILIATES**  
**COMBINED BALANCE SHEET**  
**DECEMBER 31, 1987**

	<u>TB OF INDIANA BLOOMINGTON</u>	<u>TB OF INDIANA RICHMOND</u>	<u>TB OF TEXAS INC</u>	<u>TRINITY CHRISTIAN CENTER</u>
<b>Assets</b>				
<b>Current Assets</b>				
Cash in Bank and on Hand	\$ 152	\$ 1,353	\$ -	\$ 632
Time Certificates & Treasury T Bills	-	<u>1,199,000</u>	<u>400,000</u>	-
Total Cash on Hand & In Banks	152	1,200,353	400,000	632
Accounts Receivable Less Allowance for Doubtful Accounts	16,466	128,119	87,081	-
Prepaid Expenses & Security Deposits	-	-	<u>14,040</u>	-
Total Current Assets	16,618	1,328,472	501,121	632
Notes Receivable & Investments (Note #5)	-	-	-	-
Amount Due from Affiliates	35,762	2,453,858	-	732,211
Property and Equipment - Less Accumulated Depreciation (Note #3)	1,458,389	1,070,257	2,117,195	2,191,284
Broadcasting Licenses - Less Accumulated Amortization (Note 4)	-	-	3,354,745	-
Satellite Broadcasting Right - Less Accumulated Amortization (Note #7)	-	-	-	-
Total Assets	<u>\$1,510,769</u>	<u>\$4,852,587</u>	<u>\$5,973,061</u>	<u>\$2,924,127</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Current Liabilities</b>				
Accounts Payable & Accrued Expenses	9,864	28,604	45,485	1,012
Interest Payable	-	-	-	-
Deferred Income	-	-	-	-
Notes Payable - Current Portion	-	-	<u>238,800</u>	<u>24,720</u>
Total Current Liabilities	9,864	28,604	284,285	25,732
Trust Accounts Payable	-	-	-	-
Notes Payable - Less Current Portion	-	-	99,678	1,183,474
Amounts due to Affiliates	<u>1,484,190</u>	<u>1,557</u>	<u>5,006,091</u>	<u>38,000</u>
Total Liabilities	1,494,054	30,161	5,390,054	1,247,206
<b>FUND BALANCE</b>				
Reserved	-	114,459	-	-
Unreserved	<u>16,715</u>	<u>4,707,967</u>	<u>583,007</u>	<u>1,676,921</u>
Total Fund Balance	16,715	4,822,426	583,007	1,676,921
Total Liabilities & Fund Balance	<u>\$1,510,769</u>	<u>\$4,852,587</u>	<u>\$5,973,061</u>	<u>\$2,924,127</u>

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TRINITY BROADCASTING NETWORK, INC. (TBN)  
AND SUBSIDIARY AND AFFILIATES  
COMBINED BALANCE SHEET  
DECEMBER 31, 1987

	LESS COMBINING ADJUSTMENTS	COMBINED TBN TOTALS
<u>Assets</u>		
<u>Current Assets</u>		
Cash in Bank and on Hand		\$ 385,568
Time Certificates & Treasury T Bills		<u>12,738,176</u>
Total Cash on Hand & In Banks		13,123,744
Accounts Receivable Less Allowance for Doubtful Accounts		1,999,738
Prepaid Expenses & Security Deposits		<u>172,198</u>
Total Current Assets		15,295,680
<u>Notes Receivable &amp; Investments (Note #5)</u>		10,040,204
<u>Amount Due from Affiliates</u>	\$(44,598,862)	6,146,555
<u>Property and Equipment - Less</u> Accumulated Depreciation (Note #3)	-	41,229,572
<u>Broadcasting Licenses - Less</u> Accumulated Amortization (Note 4)	-	16,455,403
<u>Satellite Broadcasting Right - Less</u> Accumulated Amortization (Note #7)	-	<u>792,832</u>
Total Assets	\$(44,598,862)	<u>\$89,960,246</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>Current Liabilities</u>		
Accounts Payable & Accrued Expenses		1,115,253
Interest Payable		50,515
Deferred Income		278,000
Notes Payable - Current Portion		<u>1,706,854</u>
Total Current Liabilities		3,150,622
Trust Accounts Payable		580,782
Notes Payable-Less Current Portion		2,094,436
Amounts due to Affiliates	(44,598,862)	-
Total Liabilities	(44,598,862)	<u>5,825,840</u>
<u>FUND BALANCE</u>		
Reserved		1,997,946
Unreserved		<u>82,136,458</u>
Total Fund Balance		84,134,405
Total Liabilities & Fund Balance	\$(44,598,862)	<u>\$89,960,246</u>

TRINITY BROADCASTING NETWORK, INC. (TBN)  
AND SUBSIDIARY AND AFFILIATES  
COMBINED STATEMENT OF SUPPORT, REVENUE AND EXPENSES AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED DECEMBER 31, 1987

	TRINITY BROADCASTING NETWORK, INC	TB GREENSBORO N.C.	TB CANTON OH	NATIONAL MINORITY TV
<u>PUBLIC SUPPORT AND REVENUE</u>				
Contributions-Reserved & Unreserved (Note #2)	\$19,908,714	\$186,967	\$371,562	
Telecasting & Production-Cost Sharing	1,696,188	263,681	457,838	
Donated Asset Estate	1,533,869	-	-	
Interest Income	500,666	-	-	\$ 5,176
Miscellaneous Income	<u>836,865</u>	<u>10,807</u>	<u>1,505</u>	<u>-</u>
Total Public Support & Revenue	<u>24,476,302</u>	<u>461,455</u>	<u>830,905</u>	<u>5,176</u>
<u>EXPENSES</u>				
<u>Program Services</u>				
Production Expenses	126,664	2,104	14,780	-
Engineering Expenses	1,795,421	131,812	217,299	37,052
Programming Expenses	<u>5,362,692</u>	<u>125,527</u>	<u>146,256</u>	<u>-</u>
Total Program Services	<u>7,284,777</u>	<u>259,443</u>	<u>378,335</u>	<u>37,052</u>
<u>SUPPORT SERVICES</u>				
General & Administrative Expenses	5,381,431	211,644	300,054	3,752
Direct Mail Expenses	<u>2,994,710</u>	<u>4,752</u>	<u>3,668</u>	<u>-</u>
Total Support Services	<u>8,376,141</u>	<u>216,396</u>	<u>303,722</u>	<u>3,752</u>
<u>Designated Projects (Restricted)</u>	<u>914,860</u>	<u>92</u>	<u>480</u>	<u>-</u>
Total Expenses	<u>16,575,778</u>	<u>475,931</u>	<u>682,537</u>	<u>40,804</u>
Excess of Public Support and Revenue Over (Under) Expenses	7,900,524	(14,476)	148,368	(35,628)
<u>FUND BALANCE, January 1, 1987</u>	<u>40,767,178</u>	<u>61,714</u>	<u>80,038</u>	<u>(444,946)</u>
<u>FUND BALANCE, December 31, 1987</u>	<u>\$48,667,702</u>	<u>\$47,238</u>	<u>\$228,406</u>	<u>\$(480,574)</u>

"See accompanying notes to financial statements."

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**TRINITY BROADCASTING NETWORK, INC. (TEN)**  
**AND SUBSIDIARY AND AFFILIATES**  
**COMBINED STATEMENT OF SUPPORT, REVENUE AND EXPENSES AND CHANGES IN FUND BALANCE**  
**FOR THE YEAR ENDED DECEMBER 31, 1987**

	<u>TB OF ARIZONA PHOENIX</u>	<u>TB OF FLORIDA INC</u>	<u>TRINITY TOWERS INC</u>	<u>TB OF NEW YORK INC</u>
<b><u>PUBLIC SUPPORT AND REVENUE</u></b>				
Contributions-Reserved & Unreserved (Note #2)	\$2,579,321	\$1,772,004		\$609,837
Telecasting & Production-Cost Sharing	631,715	745,676		637,864
Donated Asset Estate	-	-		-
Interest Income	74,129	6,300	\$ 3,379	6,379
Miscellaneous Income	<u>26,987</u>	<u>6,496</u>	<u>424,189</u>	<u>21,761</u>
Total Public Support & Revenue	<u>3,312,152</u>	<u>2,530,476</u>	<u>427,568</u>	<u>1,275,841</u>
<b><u>EXPENSES</u></b>				
<b><u>Program Services</u></b>				
Production Expenses	53,406	65,862		50,398
Engineering Expenses	218,107	438,787		308,967
Programming Expenses	<u>512,206</u>	<u>606,289</u>		<u>328,078</u>
Total Program Services	<u>783,719</u>	<u>1,110,938</u>		<u>687,443</u>
<b><u>SUPPORT SERVICES</u></b>				
General & Administrative Expenses	350,224	907,762	215,906	489,965
Direct Mail Expenses	<u>62,012</u>	<u>66,207</u>	<u>-</u>	<u>24,687</u>
Total Support Services	<u>412,236</u>	<u>973,969</u>	<u>215,906</u>	<u>514,652</u>
<u>Designated Projects (Restricted)</u>	<u>50,574</u>	<u>7,760</u>	<u>-</u>	<u>3,937</u>
Total Expenses	<u>1,246,529</u>	<u>2,092,667</u>	<u>215,906</u>	<u>1,206,032</u>
Excess of Public Support and Revenue Over (Under) Expenses	2,065,623	437,809	211,652	69,809
<b><u>FUND BALANCE, January 1, 1987</u></b>	<u>12,376,765</u>	<u>1,358,656</u>	<u>176,143</u>	<u>(1,886,902)</u>
<b><u>FUND BALANCE, December 31, 1987</u></b>	<u>\$14,442,388</u>	<u>\$1,796,465</u>	<u>\$387,805</u>	<u>\$(1,817,093)</u>

"See accompanying notes to financial statements."

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